

**GOVERNMENT OF THE DISTRICT OF COLUMBIA**  
**Office of the Chief Financial Officer**

Natwar M. Gandhi  
Chief Financial Officer



**MEMORANDUM**

**TO:** The Honorable Linda W. Cropp  
Chairman, Council of the District of Columbia

**FROM:** Natwar M. Gandhi  
Chief Financial Officer

**DATE:** August 28, 2002

**SUBJECT:** Fiscal Impact Statement: "Medicaid State Plan Amendment to Increase Medically Needy Income Levels"

**REFERENCE:** Draft Legislation – Bill Number Not Available

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**Conclusion**

Funds are sufficient in the FY 2003 through FY 2006 budget and financial plan to implement the proposed legislation because no additional staff or resources will be required and any estimated expenditures are currently budgeted.

**Background**

The proposed legislation would increase the Medically Needy Income Limit from 48 percent to 50 percent of the Federal Poverty Level for Medicaid eligibility. The limit would increase approximately \$15, from \$377 per month to an estimated \$392 per month. According to the Medical Assistance Administration (MAA), the proposed change would enable the Mayor to establish programs to expand medical assistance to traditionally non-Medicaid eligible populations as required by the Medical Assistance Expansion Program Act of 1999 (D.C. Official Code §1-308.04).

**Financial Plan Impact**

According to MAA, this change would increase eligibility by approximately ten persons at a cost of \$5,042 per enrollee. As a result, the annual fiscal impact would be \$50,420 for each fiscal year, FY 2003 through FY 2006, however, funds are sufficient in the FY 2003 budget and FY 2003 through FY 2006 financial plan to implement the proposed change in Medicaid eligibility.